



# **CHAPTER 4**

## **DELIVERING AN EFFECTIVE AND ACCOUNTABLE ORGANIZATION**

### Accountability

Instilling a strong sense of accountability is fundamental to creating a culture of learning within an organization, which in turn leads to high-quality and sustainable operational processes, as well as an optimal allocation of resources.

AMRO is accountable to its shareholders: the 27 member authorities in 13 countries across Asia. With them in mind, since 2017, AMRO has been working on incorporating results-based management (RBM) by developing an institutional Performance Evaluation Framework (PEF), which comprises a results framework, a set of indicators, and a staff handbook. The PEF serves as an integral part of the RBM cycle of “Plan-Implement-Monitor-Analyze-Learn”. Following the conclusion of the PEF pilot in 2018, the EC agreed to formally adopt the PEF with effect from January 1, 2019.

PEF survey results and operational data collected are regularly analyzed and reported in annual Results Reports, alongside recommendations for institutional improvement. The constructive feedback from members through the survey and follow-up process is also channeled into the planning of AMRO’s annual work program and MTIP.

As part of this process, different groups within AMRO conduct intensive internal deliberations about the members’ comments. These ultimately inform the development of concrete follow-up plans. The awareness and understanding among AMRO staff of PEF and RBM have gradually improved over the years. AMRO’s accountability to its shareholders has thus also been strengthened.

Still, RBM is an iterative approach that requires fine-tuning through regular reviews and updating of frameworks to ensure its continued effectiveness. As the building block of RBM, the PEF also requires constant refinement along with the institutional development of AMRO.

In December 2019, the EC endorsed AMRO’s new MTIP 2020-2024, which outlined AMRO’s strategic priorities and key initiatives for the next 5 years. To ensure that the PEF effectively captures its operational progress and supports the implementation of the MTIP, AMRO has further refined the results framework and set of indicators, which have been endorsed by the EC in December 2020.

Meanwhile, in 2020 AMRO also initiated an Integrated Evaluation Cycle to foster synchronization and strengthen linkages between its PEF, budget, work program, and staff evaluation processes. AMRO will continue to study good practices of other international organizations and further

enhance the cycle in the hope of fostering a results-oriented organization.



### Human Resources (HR)

2020 was a year of challenge, resilience, and innovation for AMRO’s Human Resources (HR) team. To support the implementation of the first MTIP under its new senior management team, the organization planned several initiatives at the beginning of the year to further empower its staff and create a more conducive working environment. The COVID-19 pandemic, which has brought about mounting uncertainties and challenges, also injected new momentum into its HR innovation drive.

Staff safety and wellbeing are always of the utmost priority. To address its employees’ numerous needs, AMRO implemented a Special Business Continuity Plan, which was regularly updated in keeping with evolving COVID-19 dynamics and corresponding containment measures (see: Special Business Continuity Plan).

Besides tending to employees’ acute needs, AMRO also tried to assuage their stress levels and boost their general peace of mind through regular town-hall meetings; refresher sessions on available healthcare and wellness plans; as well as a COVID-19 care package. For instance, a flexible transport support policy incentivized staff to utilize private hired vehicles to commute for essential business needs. AMRO also simplified its benefits claim procedures to make the process more convenient without compromising institutional accountability.

Before the pandemic, all AMRO staff were working from its office in the Monetary Authority of Singapore (MAS) building. In line with Singapore's containment measures, AMRO adopted a "Work from Home" policy in April 2020. Other measures included enhancing paperless HR and financial processes, making available 24/7 online training programs (EdX courses), and introducing online staff engagement activities such as office-wide stretching exercises led by professional fitness instructors. Meanwhile, AMRO also temporarily increased the ceiling for annual leave carryovers and introduced interim "Working from Home Country" arrangements to enable staff to have a better work-life balance by being able to attend to family members in need back in their home country during the pandemic.

Bucking the gloomy hiring trend of 2020, AMRO used digital channels extensively in order to: maintain a robust global recruitment drive; support new staff working remotely from their home countries; and work closely with the host country authorities to facilitate new staff onboarding throughout the year (amid unprecedented levels of border control). Thanks to these joint efforts, AMRO welcomed 8 new staff from the US, Europe, and 4 regional countries, with a successful fulfillment rate of 94% of staff vacancies.

Staff diversity and gender balance continue to improve. AMRO's headcount comprises people from 12 countries, including, in 2020, the first ever from Europe. Meanwhile, the share of women in AMRO's workforce rose from 40% in 2019 to 42% in 2020.

With an expected 14% year-on-year headcount increase in 2021, and the piloting of a new Policy & Review Group, the coming year will witness the acceleration of AMRO's organizational development. While more efforts will be made to attract talent from all over the world, AMRO seeks to take bolder steps to facilitate staff development and career progression, safeguard staff health and support staff wellbeing, and further promote its organizational culture of open-mindedness, integrity, and professionalism. AMRO believes all these measures will help attract and retain talent, and motivate and empower its staff to deliver the best results for themselves, AMRO, and its member economies.

### **Budget and Financial Management**

AMRO aims to ensure transparency and accountability while striking a good balance between relevant budget requests, prudent spending and effective budget implementation. AMRO strives to achieve this through timely, accurate and complete data collection and analysis.

The 2020 Manpower-Related Budget amounted to US\$19.1 million with an implementation rate of 86.3%. The lower-than-expected implementation was a result of the pandemic, which prevented travel within the region, and hampered other projects—seminars and conferences, for instance, had to be postponed or moved online. AMRO continues to follow the principle of prudent expenditure to ensure that its endowed budget is well spent.

The Office-Related Budget amounted to US\$5.7 million with an implementation rate of 77.9%. This was attributed mainly to office facility maintenance, data resource management, and IT security and capacity maintenance.

AMRO's reserves amounted to US\$11.8 million as at December 31, 2020.

AMRO will continue to ensure relevance in budgeting, prudence in spending, and efficiency in reserves management with proper policy implementation, thereby fulfilling member authorities' expectations of transparency and accountability.

### **Audit**

Independent auditor, PricewaterhouseCoopers LLP, appointed by the EC, conducted a thorough audit on the financial statements of AMRO, the China TA Trust Fund, the Japan Special Trust Fund, and the Korea TA Trust Fund.

The auditor concluded that the financial statements of the organization were drawn up in accordance with the IFRS, so as to give a true and fair view of the state of affairs of AMRO and the Trust Funds as at December 31, 2020.

### Information and Communications Technology

AMRO's Information and Communications Technology (ICT) unit played a critical role throughout 2020 in supporting the business continuity of not only AMRO itself, but also the ASEAN+3 Finance Process at large.

In the years leading up to 2020, the ICT unit had already taken steps to prepare for a catastrophic event that might severely disrupt operations, enabling it to respond adeptly to the ICT burdens and complications brought on by the pandemic.

For instance, before 2020, AMRO was already running with more than sufficient network bandwidth. As remote and virtual work increased over the year, the unit beefed up bandwidth such that the organization continues to run at below 60% of capacity. This provides a buffer for the still-uncertain pandemic future, in which data and technological requirements may well rise.

Similarly, before 2020, the ICT unit had already identified several potential alternate worksites in Singapore, with the intention of offering the team a workplace should the main office be in some way compromised. The pandemic served only to hasten a process already underway. In early 2020 AMRO selected, equipped, and readied the alternate worksite, which was then used throughout the year for split team arrangements.

AMRO also adopted a flexible office ICT asset management policy to enable a home office set-up for all employees. This included common hardware upgrades such as headsets

### Legal

To strengthen compliance with internal policies and rules, in 2020, AMRO completed three employee handbooks, which provided concise orientation on adapting to life in Singapore and covered both employee onboarding and offboarding processes.

To help staff understand AMRO's rules and regulations and explain AMRO's ethical expectations within the context of the workplace, it developed staff training modules on legal and ethical issues. Similarly, AMRO instituted measures to enhance contractor management, following the practices of other international organizations.

To facilitate official travel of AMRO personnel, the organization continued to coordinate with member authorities, pursuant to

and monitors, but also ICT expenditures in line with global financial institutions, such as a remote access point facility to extend office wi-fi access to colleagues when they are working remotely.

Meanwhile, to guarantee the security and stability of AMRO's fast-evolving remote work environment, the team implemented several enhancements to its ICT infrastructure services in 2020. The organization introduced a best-of-class, multi-layered firewall; upgraded existing end-point protection to ensure, among other things, "zero day" attack prevention; ensured the integrity of its backup, disaster recovery site; and segregated AMRO's internal network from external networks meant for guests.

Other interventions during the year included the deployment of Virtual Private Network (VPN) and tele-computing technologies to facilitate work from home arrangements and cross-border meetings hosted by Co-chairs. These technologies also benefited communication between AMRO and other stakeholders, including the media and CMIM support functions. In view of the uncertain macroeconomic situation, AMRO worked with each ASEAN+3 member authority to initiate checks on their respective video conferencing systems to prepare for potential CMIM activation and supported the CMIM Test Runs.

All this work involved harmonizing communications in an extremely diverse region, which includes some of the world's most technologically advanced countries, as well as some in which internet penetration is still low.

the members' commitment under Article 19(b) and (c) of the AMRO Agreement, which require the provision of traveling facilities and immunity from immigration restrictions. AMRO currently has established arrangements with Cambodia, Japan, Korea, Lao PDR, Myanmar, the Philippines, and Thailand. However, official travel was suspended for most of 2020 on account of travel bans or restrictions to combat the pandemic.

As a result of no objection from any party within 12 months from the date of publication by the World Intellectual Property Organization in September 2019, AMRO's name and logo were granted protection against unauthorized registration and use as trademarks under Article 6ter of the Paris Convention for the Protection of Industrial Property.

### Special Business Continuity Plan

The COVID-19 pandemic took the world by storm, disrupting ordinary life, travel, and business operations everywhere. AMRO Senior Management, responding to the threats and changes in the environment, decided to accelerate the drafting of a special business continuity plan (SBCP).

AMRO drafted the plan after reviewing the business continuity strategies of corporations and other international organizations, as well as after listening to guidance from host country authorities. Concurrently, amenities for remote work—predominantly ICT—were set up. AMRO also contracted an alternate site office, which was set up within days, to safeguard against the risk of compromise and shutdown of the main office at the MAS Building.

In early February, Senior Management approved in principle the draft of the SBCP. AMRO then launched a small-scale test run, activating a quarter of the staff to remote work. The test run enabled AMRO to pinpoint possible issues and address them in the subsequent few weeks, well before major lockdowns around the region began.

By March, AMRO started allowing all employees to work from home. Through regular communications, AMRO managed to keep its staff informed and assured. AMRO procured

and distributed hard-to-find items like hand sanitizers, thermometers, and masks to its staff.

In late March, AMRO's Senior Management approved the activation of the SBCP. AMRO went into split team mode, with one team working in the office and the other from home (or in an alternate office). The two teams continued until the following week, and then switched, never physically seeing each other.

On April 7, Singapore initiated its "circuit breaker" lockdown. All AMRO staff began working from home. The split teams each nominated an essential team that could go into the office only when absolutely necessary. With the ample preparation made during the preceding months, the two months of circuit breaker passed quickly, without any disruptions to AMRO's product and service delivery to member authorities.

As Singapore relaxed its rules—the circuit breaker ended on June 1—so too did AMRO, gradually allowing more employees to return to the office, while ensuring that team formation, SBCP protocols, and safe management measures were still being followed. AMRO also slowly relaxed SBCP procedures in line with the broader business and societal loosening up.

**All in all, the two teams did not meet for almost a year. Nevertheless, through careful planning, quick implementation, and sheer determination of the staff at AMRO, we were able to stay safe and motivated.**

